

386A.5-040 Protection of person dealing with trustee.

- (1) A person that in good faith assists a trustee, or in good faith and for value deals with a trustee, without knowledge that the trustee is exceeding or improperly exercising the trustee's power, is protected from liability as if the trustee properly exercised the power.
- (2) A person that in good faith deals with a trustee need not inquire into the extent of a trustee's power or the propriety of the exercise of the power.
- (3) A person that in good faith delivers property to a trustee need not ensure its proper use.
- (4) A person that in good faith and without knowledge that the trusteeship has terminated assists a former trustee as if the former trustee were still a trustee, or in good faith and for value deals with a former trustee as if the former trustee were still a trustee, is protected from liability as if the former trustee were still a trustee.

Effective: July 12, 2012

History: Created 2012 Ky. Acts ch. 81, sec. 36, effective July 12, 2012.